

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

**THE JOINT PETITION OF KENTUCKY-AMERICAN )  
WATER COMPANY, THAMES WATER AQUA )  
HOLDINGS GMBH, RWE AKTIENGESELLSCHAFT, ) CASE NO. 2006-00197  
THAMES WATER AQUA US HOLDINGS, INC. AND )  
AMERICAN WATER WORKS COMPANY, INC. FOR )  
APPROVAL OF A CHANGE IN CONTROL OF )  
KENTUCKY-AMERICAN WATER COMPANY )**

**JOINT PETITIONERS' MOTION FOR CONFIDENTIAL TREATMENT**

Come Kentucky-American Water Company ("Kentucky American Water"), Thames Water Aqua Holdings GmbH ("TWAH GmbH"), RWE Aktiengesellschaft ("RWE"), Thames Water Aqua US Holdings, Inc. ("TWAUSHI") and American Water Works Company, Inc. ("AWWC") (collectively "Petitioners") and move the Kentucky Public Service Commission ("Commission") pursuant to 807 KAR 5:001, Section 7, and KRS 61.878 to grant confidential treatment to AWWC's financial statements for December 31, 2006. In support of this motion, Petitioners state:

1. By Order dated April 16, 2007, in this proceeding, Petitioners were directed by ordering paragraph 4 on page 34 to file the financial statements of AWWC for the calendar year ending December 31, 2006.

2. The Kentucky Open Records Act exempts from disclosure "Preliminary recommendations, and preliminary memoranda in which opinions are expressed or policies formulated or recommended. . . ." KRS 61.878(1)(j).

3. The financial statements of AWWC as of December 31, 2006, are draft in nature and have not been audited. Previous financial statements of AWWC did not

contain a deferred tax asset to recognize the timing difference between book and tax balance accounts attributable to previous regulated and unregulated acquisitions. The establishment of the deferred tax account was not necessary at the time of these acquisitions; however, a book impairment for subsequent statements has been determined to be appropriate, requiring the establishment of a deferred tax asset account for AWWC's financial statements for December 31, 2006. Until the December 31, 2006, financial statements of AWWC are audited and become final, they are draft in nature, contain preliminary recommendations and opinions of management and should not, and have not been made, publicly available. Public dissemination of these statements could provide information to the public, to holders of AWWC debt, or potential investors in the common stock of AWWC that could be misinterpreted.

4. The AWWC financial statements as of December 31, 2006 are not necessary to verify the Response made by Petitioners to ordering paragraph 3 of the Commission's Order dated April 16, 2007 because actuarial analyses of the pension and post-retirement benefit plans as of December 31, 2006 were filed with that Response.

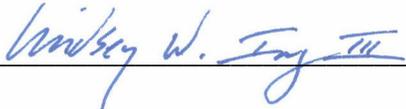
5. Petitioners are persuaded that the AWWC financial statements of December 31, 2006, merit confidential treatment; however, if the Commission disagrees it should hold an evidentiary hearing to protect the due process rights claimed herein and create a complete record to enable it to reach a decision. Utility Regulatory Commission v. Kentucky Water Service Company, Inc., Ky. App., 642 S.W.2d 591, 592-594 (1982).

6. One paper copy of the draft financial statements of AWWC for December 31, 2006, is attached under seal.

WHEREFORE, Petitioners request that the Commission grant confidential treatment for the AWWC financial statements of December 31, 2006.

Respectfully submitted,

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Thames Water Aqua US Holdings, Inc.,  
American Water Works Company, Inc., and  
Kentucky-American Water Company

**CERTIFICATION**

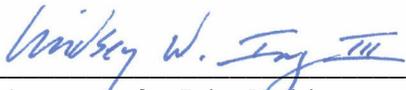
This is to certify that a true and accurate copy of the foregoing has been electronically transmitted to the Public Service Commission on April 26, 2007; that the Public Service Commission and other parties participating by electronic means have been notified of such electronic transmission; that, on April 26, 2007, the original and one (1) copy in paper medium will be hand-delivered to the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; and that on April 26, 2007, one (1) copy in paper medium will be served upon the following via U.S. Mail:

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